

**EDUCATION DEPARTMENT[281]**

**Adopted and Filed**

**Rule making related to repairing transportation equipment for transporting students**

The State Board of Education hereby amends Chapter 98, “Financial Management of Categorical Funding,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 256.7.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 298A.

*Purpose and Summary*

Chapter 98 outlines the financial management of categorical funding. Subrule 98.64(2) addresses appropriate expenditures in the physical plant and equipment levy (PPEL) fund.

This amendment expands “repairing” of transportation equipment for transporting students to include retrofitting when such retrofitting is aligned to school bus construction standards in 281—Chapter 44. Additionally, the amendment stipulates this provision is retroactive to October 2, 2019. This date aligns to the effective date of the recently adopted amendments to 281—Chapter 44.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 18, 2019, as **ARC 4817C**. A public hearing was held on January 7, 2020, at 10 a.m. in the State Board Room, Second Floor, Grimes State Office Building, Des Moines, Iowa. No one attended the public hearing. One comment was received supporting the amendment. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the State Board on January 23, 2020.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

An agencywide waiver provision is provided in 281—Chapter 4.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on March 18, 2020.

The following rule-making action is adopted:

Amend paragraph **98.64(2)“1”** as follows:

*l.* Purchase of transportation equipment for transporting students and for repairing such transportation equipment when the cost of the repair exceeds \$2,500. “Repairing,” for purposes of this paragraph, means restoring an existing item of transportation equipment to its original condition, as near as may be, after gradual obsolescence of physical and functional use due to wear and tear, corrosion and decay, or partial destruction, and includes maintenance that meets the definition of equipment and repair and the cost of which exceeds \$2,500. Effective October 2, 2019, “repairing” also means retrofitting transportation equipment when such retrofitting aligns to the school bus construction standards in 281—Chapter 44.

[Filed 1/28/20, effective 3/18/20]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 2/12/20.